

## **I. AMENDMENTS**

Please amend the above-identified application as follows.

### **Amendments to the Claims:**

Please amend Claim 10 as shown in the listing of claims below. Please cancel Claims 1 through 9. Please add Claims 11-15 as shown in the listing of claims below.

### **Listing of Claims:**

Please replace all prior versions and listing of claims in the present application with the following:

Claims 1-9: (canceled).

Claim 10. (currently amended): A method for tracking and disposition of articles of merchandise in a retail store, comprising the steps of:

- a) generating and maintaining a list of stolen and missing merchandise comprising a record of the identifiers of RFID tags corresponding to unsold merchandise no longer in the store's inventory record;
- b) electrically scanning at least one of the entrances and/or exits ~~[[to]]~~ of the store to detect for the identifiers of all ~~RFID tags in proximity to the entrances and/or exits thereto;~~
- c) when a select RFID tag is detected, electrically scanning the select ~~RFID~~ tag to obtain ~~[[the]]~~ its ~~identifier of the tag;~~
- d) comparing the identifier of the ~~each of the~~ select ~~RFID~~ ~~[[tags]]~~ tag to the store's ~~record of unsold~~ list of stolen and missing merchandise; and
- e) ~~generating an perceivable alert signal if the comparison of any of the identifiers of RFID tags match those of unsold merchandise.~~
- e) generating an alert signal if the identifier of the select tag is found in the list of stolen and missing merchandise.

Claim 11 (new): The method of claim 10, further comprising the step of sharing the list of stolen and missing merchandise with at least one of affiliated stores, non-affiliated stores and law enforcement officials.

Claim 12 (new): The method of claim 10, further comprising the step of selecting at least one of an audible alarm, flashing lights and automatically-locking exit doors as an alert signal.

Claim 13 (new): The method of claim 10, further comprising the step of utilizing the alert signal to alert store security personnel.

Claim 14 (new): The method of claim 13, further comprising the step of providing store security personnel with a description of the merchandise associated with the select tag.

Claim 15 (new): The method of claim 10, further comprising the step of permanently affixing the select RFID tag to an inaccessible portion of the merchandise prior to placing the merchandise into the store's inventory.